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WESTBANK REDEVELOPMENT CORPORATION, INC.

**Financial Statements
And Independent Accountants' Review Report
June 30, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 15 2012**

WESTBANK REDEVELOPMENT CORPORATION, INC.

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Certified Public Accountants & Consultants

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*Limited Liability Companies

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
Westbank Redevelopment Corporation, Inc.
New Orleans, LA

We have reviewed the accompanying statement of financial position of Westbank Redevelopment Corporation, Inc., a nonprofit organization, (the Corporation) as of June 30, 2011, and the related statements of activities, cash flows, and functional expenses for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Corporation's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated November 7, 2011, on the results of our agreed-upon procedures.

Silva Gurtner & Abney, LLC

November 7, 2011

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WESTBANK REDEVELOPMENT CORPORATION, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2011

ASSETS

CURRENT ASSETS

Cash	\$ 236,484
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PROPERTY AND EQUIPMENT, net

Computer	<u>891</u>
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TOTAL ASSETS

<u><u>\$ 237,375</u></u>

LIABILITIES AND NET ASSETS

NET ASSETS

Unrestricted	\$ 10,471
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Temporarily restricted	<u>226,904</u>
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TOTAL LIABILITIES AND NET ASSETS

<u><u>\$ 237,375</u></u>

See accompanying independent accountants' report and notes to financial statements.

WESTBANK REDEVELOPMENT CORPORATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND SUPPORT			
Grant revenues	\$ -	\$ 270,809	\$ 270,809
Net assets released from restrictions	<u>43,905</u>	<u>(43,905)</u>	<u>-</u>
Total revenues and support	43,905	226,904	270,809
EXPENSES			
Program services	24,721	-	24,721
Support services	<u>22,437</u>	<u>-</u>	<u>22,437</u>
Total expenses	<u>47,158</u>	<u>-</u>	<u>47,158</u>
CHANGE IN NET ASSETS	(3,253)	226,904	223,651
NET ASSETS, beginning of year	<u>13,724</u>	<u>-</u>	<u>13,724</u>
NET ASSETS, end of year	<u><u>\$ 10,471</u></u>	<u><u>\$ 226,904</u></u>	<u><u>\$ 237,375</u></u>

See accompanying independent accountants' report and notes to financial statements

WESTBANK REDEVELOPMENT CORPORATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 223,651
Adjustments to reconcile change in net assets to net cash used in operating activities.	
Depreciation expense	<u>99</u>
Net cash provided by operating activities	223,750

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	<u>(990)</u>
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NET INCREASE IN CASH AND CASH EQUIVALENTS **222,760**

CASH AND CASH EQUIVALENTS, beginning of year 13,724

CASH AND CASH EQUIVALENTS, end of year \$ 236,484

See accompanying independent accountants' report and notes to financial statements.

WESTBANK REDEVELOPMENT CORPORATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Program Services</u> Development and Improvement	<u>Supporting Services</u> Management and General	<u>Total</u>
Accounting and legal	\$ -	\$ 1,905	\$ 1,905
Advertising	-	474	474
Brechtel Park expense	23,221	-	23,221
Contributions and grants	1,500	-	1,500
Executive Director	-	14,000	14,000
Insurance	-	893	893
Office expenses	-	959	959
Program services	-	2,706	2,706
Rent	-	1,500	1,500
TOTAL EXPENSES	\$ 24,721	\$ 22,437	\$ 47,158

See accompanying independent accountants' report and notes to financial statements.

WESTBANK REDEVELOPMENT CORPORATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE A – ORGANIZATION

Westbank Redevelopment Corporation, Inc. (the Corporation) was established in Louisiana in 2003 as a not-for-profit organization to combat community deterioration by rehabilitating blighted areas and property and participating in post-Katrina economic development and community improvement projects on the westbank of Jefferson and Orleans Parishes.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Accounting - The financial statements are prepared in accordance with generally accepted accounting principles and are prepared on the accrual basis. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Basis of Reporting - The Corporation has adopted accounting regulations that established standards for external financial reporting by not-for profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories (i.e. unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) according to externally (donor) imposed restrictions.

A description of the three net asset categories is as follows:

Unrestricted net assets include funds not subject to donor-imposed stipulations. The revenues received and expenses incurred in conducting the mission of the Corporation are included in this category. The Corporation has determined that any donor-imposed restrictions for current or developing programs and activities are generally met within the operating cycle of the Corporation, and therefore, the Corporation's policy is to record these net assets as unrestricted.

Temporarily restricted net assets include funds for which donor imposed purpose and or time restrictions have not been met.

Permanently restricted net assets are funds which are required by the donor-imposed restriction to be invested in perpetuity and only the income be made available for program operations in accordance with the donor restrictions. Such income is reflected in temporarily restricted net assets until utilized for donor imposed restrictions. As of June 30, 2011, the Corporation did not have any permanently restriction net assets.

Cash and cash equivalents - Cash consist solely of demand deposits and a money market account that is secured by federal deposit insurance. All highly liquid debt instruments purchased with an original maturity of three (3) months or less are considered to be cash equivalents for purposes of the statement of cash flows.

WESTBANK REDEVELOPMENT CORPORATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2011

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Property and Equipment - Property and equipment are stated at cost. Acquisitions of property and equipment are made with unrestricted net assets. Depreciation is provided over the estimated useful lives of the respective assets, on a straight-line basis over a five to seven year period. Additions and betterments of \$500 or more are capitalized and educational materials purchased are expensed in the period of acquisition. Depreciation expense for the year ended June 30, 2011 was \$99.

Income Taxes - The Corporation operates as a nonprofit entity and has been granted tax-exempt status by the Internal Revenue Service (IRS) under Section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3). The Corporation's exempt status is recognized by the State of Louisiana. Accordingly, no provision has been made in these statements for federal or state income taxes.

NOTE C – ECONOMIC DEPENDENCY

The Corporation received one hundred percent of its support from funds provided by the City of New Orleans.

NOTE D – CONCENTRATIONS OF CREDIT RISK

Financial instruments, which potentially subject the Corporation to concentrations of credit risk, include cash deposits with a commercial bank. The Corporation's cash management policies limit its exposure to concentration of credit risk by maintaining primary cash accounts at financial institutions where deposits are insured by the Federal Deposit Insurance Corporation (FDIC). For the year ended June 30, 2011 there was no amount in excess in FDIC coverage.

NOTE E – OPERATING LEASES

The Corporation leases its office facilities from F.I. Garcia Insurance Agency, Inc. for one year on the contingent upon Crescent Business Solutions supplying the Executive Director. The operating agreement began on January 1, 2011 and ends on December 31, 2011. Rent expense for the year ended June 30, 2011 was \$1,500.

Future minimum lease payments required for the year ending June 30, 2012 is \$1,500.

NOTE F – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 7, 2011, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Silva Gurtner & Abney

Certified Public Accountants & Consultants

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board Members of
Westbank Redevelopment Corporation, Inc.
New Orleans, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Westbank Redevelopment Corporation, Inc. (the Corporation), the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about the Corporation's compliance with certain laws and regulations during the year ended June 30, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the Corporation is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year. The Corporation's federal award expenditures for all federal programs for the fiscal year follow:

Federal, State, or Local Grant Name	Grant Year	CFDA No. (if applicable)	Amount
Office of Community Development with the City of New Orleans	2011		\$ 43,905
Total Expenditures			\$ 43,905

2. For each federal, state, and local award, we randomly selected 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements would be selected.
3. For the items selected in procedure 2, we traced the six disbursements to supporting documentation as to proper amount and payee

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee

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4. For the items selected in procedure 2, we determined if the six disbursements were properly coded to the correct fund and general ledger account.

All six of the payments were properly coded to the correct fund and general ledger account.

5. For the items selected in procedure 2, we determined whether the six disbursements received approval from proper authorities

Inspection of documentation supporting each of the six selected disbursements indicated appropriate approvals.

6. For the items selected in procedure 2: For federal awards, we determined whether the disbursements complied with the applicable specific program compliance requirements summarized in *the Compliance Supplement* (or contained in the grant agreement, if the program is not included in the *Compliance Supplement*) and for state and local awards, we determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed

We reviewed the previously listed disbursements for types of services allowed or not allowed and noted no exceptions.

Eligibility

We reviewed the previously listed disbursements for eligibility requirements and noted no exceptions.

Reporting

We reviewed the previously listed disbursements for reporting requirements and noted no exceptions

7. For the programs selected for testing in item (2) that had been closed out during the period under review, we compared the close-out report, when required, with the Corporation's financial records to determine whether the amounts agree.

Not applicable

Open Meetings

8. We examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law)

Westbank Redevelopment Corporation, Inc. is only required to post a notice of each meeting and the accompanying agenda on the door of the Corporation's office building. Management has asserted that such documents were properly posted.

Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the

purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Westbank Redevelopment Corporation, Inc. provided a comprehensive budget to the City of New Orleans for the programs mentioned previously. This budget specified the anticipated uses of the funds and plans showing specific goals and objectives of performance.

Prior Comments and Recommendations

10. We reviewed any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

No prior year findings noted.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Westbank Redevelopment Corporation, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Silva Gurtner & Almey, LLC

November 7, 2011

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

(Date Transmitted)

Silva Gartner & Atney

(Auditors)

In connection with your review of our financial statements as of 6/30/11 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations

These representations are based on the information available to us as of (date of completion/representation)

Federal, State, and Local Awards

We have detailed for you the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:1 through 42:13 (the open meetings law).

Yes ☒ No ☐

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

Prior Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

<u>9/14/11</u>	Secretary <u>Therese E. Gordon, III</u>
Date	
<u>9/14/11</u>	Treasurer <u>Therese E. Gordon, III</u>
Date	
<u>9/14/11</u>	President <u>Therese E. Gordon, III</u>
Date	